FOR MYSORE STATE

4-1-62.

Food and Agriculture (1950) Department.

Mis. SERIES.

G.O. NO. 422 Food and Agriculture

Dated 10th March 1950.

[Despatch Abstract.]

iculture — Grow More Food — Groundnut oil cake — Distribution through Cooperative Societies — Payment of Subsidy for distribution made upto 31-12-48 — Sanctioned.

ABSTRACT.

AGRICULTURE - Grow More Food - Groundnut oil cake - Distrikkbution through cooperative SOCieties - Payment of subsidy for distribution made upto 31.12.48, Sanctioned.

x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x

FOOD AND AGRICULTURE Department.

G.O. Ms. No. 422 Dated 10.3.1950.

Read Again:

G.O. Ms. 3397 Development dated 24.6.48.

G.O. Ms.4074 Development dated 4.8.48.

Read also:

From the Registrar of Cooperative Societies, No.48640/48 CII dated 22.2.1949.

do do 129221/49 CII d/22-3-49.

Memo to the Registrar of Cooperative Societies, No. 14344 AV /49 3 Development 14.5.1949.

From the Registrar of Cooperative SocietiesR.C. No. 129221/48 CII dated 2.7.49.

Memok to THE Registrar of Cooperative Societies, No. 14344 N/49 6 dated 5.9. 1949.

From the Registrar of Cooperative Societies, No. R.C. 129221/48 CII d/17.9.49.

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In his letters cited the Registrar of Cooperative Societies, has submitted the following proposals:

(i) that the margin of 15% over the cost price tentatively allowed to cooperative societies for overhead and establishment charges and profit at annas 5 per bag, fixed in para 4 of G.O. 4074 Development dated 4.8.48, might be retained;

(ii) that the margin of 15% limit might be reckoned on a provincial basis (the average of which is 9%) for all societies taken together instead of calculating it for each factory society, and that the Krishna and Chittoor societies, which have exceeded the limit, allowed full subsidy;

(iii) that a total subsidy of Rs.43052/5/- might be

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sanctioned to all cooperative Wholesale Stores indicated in the Appendix to this Order, for the period ending 31.12.48; and

(iv) that the Registrar himself might be permitted to sanction the subsidy to Cooperative Societies for the period 1.1.49 to 30.6.49 subject to the ceiling limit of Rs.15%

ITEM (i) ABOVE.

The Government accept the recommendation of the Registrar of Cooperative Societies, and allow the retention of the present margin of 15% over cost price for purpose of calculation of subsidies to be paid to the Societies.

ITEM (iii ABOVE)

The Government do not approve the Registrar's proposal.

ITEM(iii) Above:

The Krishna Cooperative Wholesale Stores is not eligible for any subsidy, and the Chittoor Cooperative Wholesale Stores, is eligible for a subsidy of Rs.1,615/- only as against a sum of Rs.3472/5/-.calimed The Government sanction an expenditure of Rs. 40,296/- (Rupees Forty thousand two hundred and ninety six only) for payment as subsidy to Cooperative Wholesale Stores as detailed in the Appendix. The expenditure should be debited to " 42 - Cooperation - Grants-in-adi".

ITEM (iv) above.

The Government consider that the Registrar should as usual send proposals to Government for sanctioning subsidy to Cooperative Societies.

2. The Registrar of Cooperative Societies,

is requested to work out the grant to be claimed from the Government of India with reference to para 15 of G.O. 4074, Development dated 4.8.48, and to submit proposals for addressing the Government of India, in the matter at a very early date.

(By Order of His Excellency the Governor)

N. Murugesa Mudaliar,
Depty Secretary to Government.

To

The Registrar of Cooperative Societies,
Accountant General thro' Finance.
copy to the Joint Director of Agriculture.

A P P E N D I X.

Name of the Cooperative Wholesale stores. 1	Amount of subsidy proposed by the R.C.S.	Amount of subsidy sanctioned by Government. 3
1. Krishna C.W.S	899 0	----
2. S. Kanara "	4,555 8	4,555 8 0
3. Malabar.	7,211 14	7,211 14
4. Trichy.	2,641 1	2,641 1 0
5. Anantapur.	34 0	34 0 0
6. Madura.	938 0	938 0 0
7. North Arcot.	2,616 11	2,616 11 0
8. Chingleput.	16,802 12	16,802 12 0
9. Coimbatore.	1,367 2	1,367 2 0
10. Tinnevelly.	2,514 0	2,514 0 0
11. Chittoor.	3,472 5 0	1,615 0 0
Total.	43,952 3 0	43,296 9 0

Compared
N. Mohd Ganidh
N. Raghavan.

The case deals with the proposals from the Registrar of Cooperative Societies, for payment of a subsidy amounting to Rs.43,052/5/- to the Cooperative Societies, for undertaking distribution of groundnut cake on its transfer from the Agricultural Department xand also to the reduction of the margin of 15% fixed in para 4 of G.O. No. 4074 Development dated 4.8.48. The case has been examined in consultation with Finance on pp.2.15 above. Finance have agreed to the subsidy being given to the ten societies mentioned on 13. c.f. as items 2.11.

2.The points for orders in this file are set out below:

(1) RETENTION OF THE LIMIT OF 15% OF THE COST OF PURCHASE UPTO WHICH COOPERATIVE SOCIETIES HAVE BEEN TENTATIVELY ALLOWED OVERHEAD AND ESTABLISHMENT CHARGES AND MARGIN OF PROFIT AT ANNAS 5 PER BAG:

In para 4 of G.O. 4074, development d/4-8-48, the Government permitted the societies to incur expenditure on their overheads and establishments and allowed them profits on the transactions at the rate of 1 anna per bag for a wholesale society and 4 annas per bag of a retail society, all subject ~~a~~ to a maximum of 15% of the cost price. If the societies were not able to recoup their overhead and establishment charges and the prescribed profit margins from the excess of sale price (which the Government fixed at controlled rates) over the cost price, they have to be subsdised upto 15 per cent of the cost price.

The Registrar of Cooperative Societies consider it necessary to retain this limit without reduction, as such reduction, as such reduction will adversely affect the cooperative wholesale stores in deficit districts, which may not be able to restrict their overhead and establishment charges to a reduced margin. Finance have agreed to this limit being retained without alteration. For orders whether this limit may be retained.

(ii) WHAT AMOUNT OF SUBSIDY IS TO BE ALLOWED TO KRISHNA AND CHITTOOR COOPERATIVE STORES (ITEM 1 & 11 on p. 13 c.f) HAVING REGARD TO THE FACT THAT THEY HAVE EXCEEDED THE MARGIN OF 15 per cent LIMIT:

If the 15% limit is to be applied to the two societies no subsidy will be payable to the Krishna Cooperative Central Stores, and a reduced subsidy of Rs. 1615 will be payable to the Chittoor Stores as against Rs.3472-5-0 claimed. The Registrar of Cooperative Societies, if of opinion that the percentage of cost (15%) may be reckoned on a provincial basis (9%) for all societies taken together instead of separately for each society and that if this suggestion is accepted Krishna and Chittoor Cooperative Wholesale Stores may be given the full subsidy as mentioned on p. 13. c.f. Finance consider that the application of the margin of 15% of the cost price to each society may be followed, according to which Krishna Cooperative Stores will get no subsidy and Chittoor Stores will get a reduced subsidy of Rs.1615/- For orders whether the suggestion of may be accepted. A B

(iii) WHETHER A TOTAL SUBSIDY OF Rs.43, TO II COOPERATIVE SOCIETIES (Items 1 to 11 c MAY BE SANCTIONED.

In para 4 of the G.O. No. 4074 dated 4-8-1948, the Government have already promised to meet the excess of

of expenditure in selling prices over the purchase of prices after deducting the profit. The subsidy rates claimed at p. 15. c.f. are based on audited figures. The total amount claimed is Rs.43052/5/-

If the suggestion of the Finance at B . on 16 above is approved the net amount of the subsidy works out to Rs.40,296. Finance have agreed to this amount being given to 11 societies items 2 to 11 on p.15. c.f.

If the suggestion/item under (ii) above is approved, it is for orders whether the total subsidy Rs.40,296/. may be sanctioned.

(IV) WHETHER THE SUBSIDY TO BE GIVEN IN FUTURE TO THE SOCIETIES MAY BE SANCTIONED BY THE REGISTRAR OF COOPERATIVE SOCIETIES OR BY Govt.

The Registrar has now asked for sanction to the susbdiy claim of the Cooperative Stores for the period ending 31.12.48, and has also enquired whether he himself can sanction the subsidy to the Stores for the period from 1.1.49 to 30.6.49, subject to the ceiling limit of 15% of the purchase price as fixed by GOvernment. Finance consider that it would seem better that the Registrar sends another statement showing particulars similar to those on p. 15. c.f. and obtains the sanction of the Government for the payment of subsidies than to permit him to sanction the subsidies himself without reference to the Government. For orders the Registrar may be informed accordingly.

With reference to 'M' on p.8.above regarding the claims for grant from the Government of India for giving subsidies to Cooperative Societies the draft put up has been accepted by Finance. It may now issue.

After issue the case may be circulated for approval of the proposals at A B C D on pages 16-17 above.

The draft letter below which has been accepted by Finance may be approved. E

The proposals at A, B, C? and D above may also be approved.

(Issued as letter No. 14344n/49 -10 dated 17.2.50.

TO A.S.

Ref; Orders at the bottom of p. 17 above.

A draft order is submitted for approval. Development and Finance may see before issue.

Please revise the draft as indicated.

A revised draft is submitted for approval. Devel opment and Finance may see before issue.

D.S.

F.A.N. O.
4344/49
6-3-50.

Development Deptt

TO A.S.

Food and Agricultural dept. Notes from the middle pp.15 above and the draft order below may be perused and the file passed on to Finance Department.

(Previous Finance Note on p.14.15 above.)

Please see further notes from 15 above.

The draft order may be perused and the case returned to Food. F.A. (N)

Fin. 16170 PWI
8-3-50.

The draft order may now issue.

(Issued as G.O. Ms. 428 F. &A 6/10-3-50.

xxx xx xx

/truecopy/

v.n.m. 25

Superintendent.

Compared.
N. Raghavan